

OFFICE OF MENTAL HEALTH

MISSION

The Office of Mental Health's (OMH) mission is to promote the mental health of all New Yorkers, with a particular focus on providing hope and recovery for adults and children with serious mental illness or emotional disturbances.

ORGANIZATION AND STAFFING

The Office of Mental Health is headed by a Commissioner who is appointed by the Governor subject to Senate confirmation. New York's public mental health system consists of programs that are operated by the Office of Mental Health, as well as community programs certified and funded by the State, but operated by local governments, not-for-profit, and proprietary providers.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$3.6 billion** in All Funds appropriations for the Office of Mental Health (OMH). This is a net decrease of **\$95 million (-2.6 percent)**. This reflects roughly \$40 million of additional spending to provide supported housing and services for certain adult home residents pursuant to a Federal court order, offset by a net reduction in all other services.

The Executive Budget reduces each agency's General Fund State Operations budget by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

OMH continues to improve the efficiency and cost-effectiveness of its operations and the network of non-profit providers it supports, and has ongoing efforts to reform or restructure activities based on a review of its core mission. In addition to savings initiatives undertaken in 2010-11 to control costs, including a significant slowdown in new residential bed development, major new budget actions to promote cost efficiency and rationalize reimbursement include:

- **Aid to Localities Residential Actions:** Freeze development of all new OMH community residential programs for one year. The savings from this delay in development will help provide resources for additional costs pursuant to a Federal court order for certain adult home residents in New York City. Eliminate funding over the next two years for family-based treatment beds, which have not been as effective as projected; reduce aid to providers that are funded above the regional per bed models for supported housing; convert residential pipeline units to lower-cost alternatives, and reprogram 250 planned supported housing beds for adult home litigation requirements.
- **Aid to Localities Non-Residential Efficiencies:** Restructure a variety of non-residential OMH programs, including Continuing Day Treatment to encourage use of the more effective Personalized Recovery Oriented Services program; targeted funding reductions to encourage efficiencies in certain community support programs, children's Clinic-Plus, non-direct services; and local administration. Continue the 1.1 percent across-the-board reduction on existing local aid programs implemented in 2010-11.

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- **OMH COLA and Trend:** Defer the planned 1.2 percent Human Services COLA for one year, but extend the legislation for another year through 2014-15. Additionally, the rates for Residential Treatment Facilities and the Community Residence/Family Based Treatment programs will be maintained at existing levels.
- **Enhanced Auditing for Recovery of OMH Medicaid and State Aid Payments:** OMH will renew efforts to recover State funds with enhanced audit activities, including reconciliations, State aid letters and direct contract close-outs.
- **Reform/Efficiencies in State Operations:** As part of State Operations reductions of 10 percent, OMH will reduce State-operated inpatient capacity based on a review of current census patterns, and continue efforts to maximize community placement and consolidate capacity and administrative functions throughout the system.
- **Continuation of Restructuring Efforts:** OMH will continue implementing the Ambulatory Care restructuring started in 2008-09, which will rationalize the reimbursement of providers of mental health clinical services. Additionally, OMH will focus on best practices modalities, including the creation of a behavioral health care coordination effort to improve quality care for individuals with mental illness. Also, OMH was awarded a third Federal grant of nearly \$10 million (an increase of \$4 million over 2010-11 levels) to continue improving employment opportunities for individuals with mental illness.
- **Adult Home Litigation:** In response to a Federal court order, the Budget continues a multi-year plan to provide funding for additional supported housing and support services for 4,500 individuals leaving New York City adult homes. A total of \$41.3 million will fund 1,500 rental housing units and services for the first of these individuals beginning February 1, 2011. To address a portion of the funding needed for these individuals, resources will be reprogrammed for this purpose from 250 planned Supported Housing units.

PROGRAM HIGHLIGHTS

As the State's mental health authority, OMH gives priority to ensuring access to high quality services for adults and children with severe mental illness or serious emotional disturbances. In addition, OMH promotes overall public mental health through education and advocacy. The Agency has four lines of business underpinning these functions:

- **Regulating, Certifying, Financing and Overseeing New York's Public Mental Health System.** OMH oversees 58 local governmental units, one of which covers New York City in its entirety. The Agency also regulates and/or licenses more than 2,500 mental health programs operated by local governments and private agencies serving nearly 700,000 persons annually, including inpatient, outpatient, emergency, residential and family care, and community support services;
- **Providing State-operated Inpatient and Outpatient Mental Health Services.** OMH is a major provider of intermediate and long-term inpatient as well as outpatient treatment services through a network of psychiatric centers that includes Adult Psychiatric Centers, Children's Psychiatric Centers, and facilities serving forensic patients involved with the criminal justice system. Additionally, OMH provides mental health services around the State to inmates incarcerated in Department of Correctional Services' facilities;

- **Conducting Basic and Applied Research to Advance Prevention, Treatment, and Recovery.** OMH conducts basic and applied research at the New York State Psychiatric Institute in Manhattan and the Nathan S. Kline Institute for Psychiatric Research in Rockland County, with a focus on identifying interventions that have been proven by scientific research to be effective and that can be incorporated into mainstream practice. New York State's investment in research is augmented by many grants from Federal and other sources through the Research Foundation for Mental Hygiene (RFMH), Inc. Additionally, OMH's Office of Performance Measurement and Evaluation conducts evaluation research and statistical analyses which are used to examine service outcomes, investigate pressing mental health issues, and develop sound approaches for improving service quality and access; and
- **Promoting Public Mental Health through Education and Outreach.** OMH supports a variety of educational activities focusing on the nature and impact of mental illness, effective treatments and services, useful preventive and coping strategies, and service accessibility. The Agency's information dissemination strategies are designed to reach as many New Yorkers as possible, with a particular focus on high-risk groups.

To live successfully, most individuals with serious mental illness need both treatments that manage or eliminate their psychiatric symptoms and support services that address the needs associated with the disabling effects of their illness. Public mental health services are grouped in four major categories across the health care continuum: community support, and outpatient, inpatient, and emergency services. In New York State, both State- and locally-operated programs provide services in each of these four categories:

- **Community Support** helps individuals diagnosed with serious mental illness live as independently as possible in the community, and helps children with serious emotional disturbance remain with their families. These programs provide case management, vocational, self-help, residential and other support services. Although the specific array of community support services differs for adults and children, the goal is always to support successful and full community living;
- **Outpatient Services** provide treatment and rehabilitation in an ambulatory setting, including clinics, partial hospitalization, day treatment for children, continuing day treatment for adults, Assertive Community Treatment (ACT), Prepaid Mental Health Plan (PMHP), and Personalized Recovery-Oriented Services (PROS);
- **Inpatient Services** provide acute stabilization and intensive treatment and rehabilitation with 24-hour care in a controlled environment when community services and supports do not meet the needs of adults and children; and
- **Emergency Services** provide rapid psychiatric and/or medical stabilization and ensure the safety of individuals who present a risk to themselves or others. These programs include a range of crisis counseling and residential services, as well as Comprehensive Psychiatric Emergency Programs.

In all mental health settings, the fundamental goal of OMH is to maximize access to quality mental health care for every single New Yorker. This includes bridging the gap between science and service; focusing on accountability for results, best practices, and coordination of care; and eliminating disparities and promoting culturally and linguistically competent services and supports.

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ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	2,156,245,000	2,051,226,000	(105,019,000)	2,639,000
Aid To Localities	1,275,183,000	1,298,434,000	23,251,000	40,108,000
Capital Projects	234,291,000	220,874,000	(13,417,000)	1,982,774,000
Total	<u>3,665,719,000</u>	<u>3,570,534,000</u>	<u>(95,185,000)</u>	<u>2,025,521,000</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)

Program	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Administration and Finance			
Special Revenue Funds - Federal	11	11	0
Special Revenue Funds - Other	615	615	0
Enterprise Funds	10	10	0
Internal Service Funds	17	17	0
Adult Services			
Special Revenue Funds - Other	10,737	10,637	(100)
Capital Planning			
Capital Projects Funds - Other	41	41	0
Children and Youth Services			
Special Revenue Funds - Other	1,906	1,906	0
Forensic Services			
Special Revenue Funds - Other	1,949	1,949	0
Research			
Special Revenue Funds - Other	474	474	0
Total	<u>15,760</u>	<u>15,660</u>	<u>(100)</u>

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	800,000	800,000	0
Special Revenue Funds - Federal	2,038,000	2,038,000	0
Special Revenue Funds - Other	2,141,991,000	2,037,172,000	(104,819,000)
Enterprise Funds	8,606,000	8,606,000	0
Internal Service Funds	2,810,000	2,610,000	(200,000)
Total	<u>2,156,245,000</u>	<u>2,051,226,000</u>	<u>(105,019,000)</u>

Adjustments:

Transfer(s) From

 Special Pay Bill

 Special Revenue Funds - Other

Appropriated 2010-11

(24,951,000)

2,131,294,000

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STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2010-11	Recommended 2011-12	Change
Administration and Finance			
Special Revenue Funds - Federal	2,038,000	2,038,000	0
Special Revenue Funds - Other	102,076,000	92,631,000	(9,445,000)
Enterprise Funds	8,606,000	8,606,000	0
Internal Service Funds	2,810,000	2,610,000	(200,000)
Adult Services			
General Fund	800,000	800,000	0
Special Revenue Funds - Other	1,455,756,000	1,395,285,000	(60,471,000)
Children and Youth Services			
Special Revenue Funds - Other	227,880,000	227,880,000	0
Forensic Services			
Special Revenue Funds - Other	267,926,000	241,134,000	(26,792,000)
Research			
Special Revenue Funds - Other	88,353,000	80,242,000	(8,111,000)
Total	<u>2,156,245,000</u>	<u>2,051,226,000</u>	<u>(105,019,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Travel	
	Amount	Change	Amount	Change
Adult Services	800,000	0	800,000	0
Total	<u>800,000</u>	<u>0</u>	<u>800,000</u>	<u>0</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration and Finance	105,885,000	(9,645,000)	43,114,000	(6,698,000)
Adult Services	1,395,285,000	(60,471,000)	760,615,000	(33,328,000)
Children and Youth Services	227,880,000	0	137,735,000	0
Forensic Services	241,134,000	(26,792,000)	146,029,000	(16,224,000)
Research	80,242,000	(8,111,000)	44,708,000	(4,755,000)
Total	<u>2,050,426,000</u>	<u>(105,019,000)</u>	<u>1,132,201,000</u>	<u>(61,005,000)</u>

Program	Nonpersonal Service	
	Amount	Change
Administration and Finance	62,771,000	(2,947,000)
Adult Services	634,670,000	(27,143,000)
Children and Youth Services	90,145,000	0
Forensic Services	95,105,000	(10,568,000)
Research	35,534,000	(3,356,000)
Total	<u>918,225,000</u>	<u>(44,014,000)</u>

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AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

<u>Fund Type</u>	<u>Available 2010-11</u>	<u>Recommended 2011-12</u>	<u>Change</u>
General Fund	420,982,000	420,982,000	0
Special Revenue Funds - Federal	46,807,000	51,414,000	4,607,000
Special Revenue Funds - Other	807,394,000	826,038,000	18,644,000
Total	1,275,183,000	1,298,434,000	23,251,000

Adjustments:

Prior Year Deficiency

Mental Health, Office of

General Fund 3,000,000

Special Revenue Funds - Other 29,000,000

Transfer(s) From

Mental Health, Office of

General Fund (136,772,000)

Transfer(s) To

Mental Health, Office of

Special Revenue Funds - Other 136,772,000

Appropriated 2010-11

1,307,183,000

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

<u>Program</u>	<u>Available 2010-11</u>	<u>Recommended 2011-12</u>	<u>Change</u>
Adult Services			
General Fund	295,979,000	295,979,000	0
Special Revenue Funds - Federal	41,006,000	45,613,000	4,607,000
Special Revenue Funds - Other	687,586,000	706,230,000	18,644,000
Children and Youth Services			
General Fund	125,003,000	125,003,000	0
Special Revenue Funds - Federal	5,801,000	5,801,000	0
Special Revenue Funds - Other	119,808,000	119,808,000	0
Total	1,275,183,000	1,298,434,000	23,251,000

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

<u>Comprehensive Construction Program</u>	<u>Available 2010-11</u>	<u>Recommended 2011-12</u>	<u>Change</u>	<u>Reappropriations 2011-12</u>
Design and Construction Supervision				
Capital Projects Fund	2,000,000	2,000,000	0	3,492,000
MH Capital Improvements - Authority Bonds	12,000,000	12,000,000	0	22,153,000
Executive Direction				
Capital Projects Fund	0	0	0	2,445,000
MH Capital Improvements - Authority Bonds	3,717,000	3,717,000	0	5,799,000
Community Mental Health Facilities				
Capital Projects Fund	6,000,000	6,000,000	0	40,442,000
MH Capital Improvements - Authority Bonds	5,639,000	5,639,000	0	713,178,000
Maintenance and Improvements of Existing Facilities				
Capital Projects Fund	28,600,000	28,600,000	0	62,363,000
MH Capital Improvements - Authority Bonds	175,335,000	161,918,000	(13,417,000)	1,127,857,000
Non-Bondable				
Capital Projects Fund	1,000,000	1,000,000	0	5,045,000
Total	234,291,000	220,874,000	(13,417,000)	1,982,774,000